

Testimony of Amy Penterman

My name is Amy Penterman. My husband Sander and I farm in Dutch Dairy LLC in Thorp, Wisconsin. Sander is a first-generation immigrant and multi-generational farmer with formal records dating back to 1643 in the Netherlands. I am a third-generation farmer. In addition to running the farm, I serve as clerk to the school board, president of the Thorp FFA Alumni and president-emeritus of the Dairy Business Association, a state trade association in Wisconsin. In addition to my role on the farm, I am also a crop insurance agent.

We milk 900 cows and farm 1450 acres, both rented and owned. We have 12 full-time employees and four part-time employees. Our milk goes to a privately owned cheese plant in Federal Order 30. We try to adopt innovative practices good for our environment, like no-till planting and manure injection, as well. Our farm would not qualify as a small business under the definition of \$3.75 million in annual revenue.

With three young boys, we are positioning our farm to be efficient and of size to bring in the next generation, putting environmental and economic sustainability at the forefront of our decisions.

One key aspect of economic sustainability is effectively managing our price risk, as market prices can fluctuate significantly in short periods of time. Our farm, and other farms like it, need effective tools to ensure a certain amount of price certainty. If Dairy Revenue Protection were to be suspended for any amount of time, farmers would lose a valuable tool that helps them successfully run their businesses.

I would also like to voice my support for Proposals 16 and 17, submitted by Edge Dairy Farmer Cooperative, for consideration, as both remove advanced pricing and create a better environment for farmers to effectively manage price risk.

Advanced pricing can create negative PPDs (or producer price differentials) when markets experience rapid fluctuation, as seen in the last few years. This can result in adverse conditions for farmer risk management, as nearly all hedging programs do not account for negative PPDs. Additionally, Proposal 16 bases the fluid skim milk price on dairy's most traded commodity — cheese.

Thank you very much for allowing me the opportunity to testify at this hearing. I am thankful to see so many farmers able to participate in this critical dairy policy discussion, and the enhanced flexibility has encouraged that. Thank you.